

**TABLE 3**

Mar-03

## TOTAL GUARANTEED LOAN PROGRAMS, March 2003 Baseline

	(by fiscal year)											
	2002 Preliminary	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>TOTAL ALL NEW LOANS [ New Guaranteed Loans Only ] a/</b>												
Net Annual Loan Volume (Mil \$)	25,071	28,607	31,327	32,770	34,021	35,301	36,504	37,901	39,287	40,622	41,976	43,342
Net Number of Loans (000)	6,520	7,298	7,900	8,118	8,283	8,449	8,592	8,775	8,950	9,110	9,280	9,450
Average Loan Amount	\$3,845	\$3,920	\$3,965	\$4,037	\$4,107	\$4,178	\$4,249	\$4,319	\$4,389	\$4,459	\$4,523	\$4,586
Subsidy Rate b/ c/	8.62%	13.08%	13.86%	13.64%	14.69%	15.24%	15.08%	14.93%	14.79%	14.66%	14.55%	14.43%
<b>SUBSIDIZED STUDENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	12,022	13,444	14,274	14,490	14,705	14,919	15,131	15,393	15,660	15,899	16,162	16,448
Net Number of Loans (000)	3,564	3,950	4,195	4,246	4,296	4,345	4,394	4,456	4,520	4,575	4,637	4,705
Average Loan Amount	\$3,374	\$3,404	\$3,403	\$3,413	\$3,423	\$3,434	\$3,444	\$3,454	\$3,464	\$3,475	\$3,485	\$3,496
Subsidy Rate b/ c/	15.32%	20.64%	22.67%	23.07%	24.38%	25.10%	25.10%	25.10%	25.10%	25.10%	25.10%	25.09%
<b>UNSUBSIDIZED STUDENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	10,314	12,013	13,651	14,530	15,197	15,871	16,450	17,135	17,777	18,385	19,020	19,620
Net Number of Loans (000)	2,575	2,940	3,288	3,435	3,530	3,626	3,699	3,797	3,886	3,968	4,057	4,140
Average Loan Amount	\$4,005	\$4,086	\$4,151	\$4,229	\$4,305	\$4,377	\$4,447	\$4,512	\$4,575	\$4,633	\$4,688	\$4,739
Subsidy Rate b/ c/	3.30%	7.74%	7.88%	7.33%	8.46%	9.16%	9.16%	9.16%	9.16%	9.15%	9.14%	9.13%
<b>PARENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	2,734	3,150	3,401	3,749	4,119	4,510	4,923	5,374	5,850	6,338	6,794	7,274
Net Number of Loans (000)	381	408	417	437	457	478	498	521	544	567	586	605
Average Loan Amount	\$2,734	\$3,150	\$3,401	\$3,749	\$4,119	\$4,510	\$4,923	\$5,374	\$5,850	\$6,338	\$6,794	\$7,274
Subsidy Rate b/ c/	0.33%	2.74%	2.96%	3.30%	4.60%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%

a/ Totals exclude consolidation loans.

b/ The subsidy rate is the net present value of the future federal cash flows associated with the loan dollars disbursed to borrowers each year. For example, the 2003 federal cost associated with the \$28,607 million in new loan volume would be \$3,742 million or 13.08% of the new loan volume [ $\$28,607 \times .1308 = \$3,742$ ]. Another way to look at the cost of the loan programs is that overall it will cost the federal government on average about 13 cents for each new dollar loaned in 2003.

c/ The subsidy rates were calculated using the CBO January 2003 interest rate forecast. These rates would be different if other forecasts are used.